Rule 21 Working Group Meeting #46 – DRAFT Agenda
July 22, 2003
PG&E's San Ramon Learning Center
3301 Crow Canyon Road
San Ramon, CA
9:30 am – 4:30 pm

Combined Group Discussion (Approximately 9:30 am to 11:00 am)

- Attendees:

Pat	Aldridge	SCE	626-302-4617	Pat.Aldridge@sce.com
Manuel	Alvarez	SCE	(916) 441-2369	alvarem@sce.com
Greg	Ball	Powerlight	510-868-1246	gball@powerlight.com
Tom	Bialek	SDG&E	(858) 654-8795	tbialek@semprautilities.com
Werner	Blumer	CPUC/ED	(415) 703-1421	wmb@cpuc.ca.gov
Petrina	Burnham	SDG&E	858-654-1712	pburnham@semprautilities.com
Denise	Canning	SCE	(626) 302-3609	cannind@sce.com
Bill	Cook	SDG&E	(858) 654-1189	wcook@semprautilities.com
Crisman	Cooley	Overdomain	(805) 683-0938	ccooley@overdomain.com
Tom	Dossey	SCE	(626) 302-8242	dosseyt@sce.com
Paul	Fukumoto	Ingersoll-Rand Energy Systems	714.799.7742	Paul_Fukumoto@irco.com
Jeff	Goh	PG&E	(415) 973-0260	jsg9@pge.com
Ed	Grebel	SCE	(626) 302-8526	grebelej@sce.com
Joseph	Heinzmann	General Electric Comp.	925-602-5956	Joseph.Heinzmann@indsys.ge.com
John	Horak	Basler Electric	303-730-3021	johnhorak@basler.com
Mike	Iammarino	SDG&E	(858) 650-6166	miammarino@semprautilities.com
Karl	Iliev	SDG&E	858-654-1709	kiliev@semprautilities.com
Jerry	Jackson	PG&E	(415) 973-3655	grj4@pge.com
Scott	Lacy	SCE	(909) 357-6589	lacysr@sce.com
Robin	Luke	RealEnergy	(916) 325-2500	rluke@realenergy.com
Bill	Martini	Tecogen, Inc.	503-641-1768	Bilmartini@aol.com
Anthony	Mazy	CPUC/ORA	(415) 703-3036	amazy@cpuc.ca.gov
Dave	Michel	California Energy Commission	916-654-9864	dmichel@energy.state.ca.us
Randy	Minnier	MPE Consulting	858-578-4788	randy@mpeconsulting.com
Tim	O Toole	INC	925-820-8102	timotoole@isberg-nott.com
Peter	Ouborg	PG&E	(415) 973-2286	pxo2@pge.com
Edan	Prabhu	Reflective Energies	(949) 380-4899	edanprabhu@cox.net
Dave	Redding	Riverside Public Utilities	(909) 82(	internet: dredding@ci.riverside.ca.us
Dara	Salour	RCM Digesters	510-658-4466	rcm4@att.net
Paul	Samson	RealEnergy	818-610-2337	psamson@realenergy
Jim	Skeen	SMUD	(916) 732-5305	jskeen@smud.org
Chuck	Solt	Lindh & Assoc	916-729-5004	chuck@csolt.net
Scott	Tomashefsky	California Energy Commission	(916) 654-4896	stomashe@energy.state.ca.us
Gerome	Torribio	SCE	(626) 302-9669	torribgg@sce.com
Dan	Tunnicliff	SCE	626-302-1971	daniel.tunnicliff@sce.com
Mo	Vaziri	PG&E	510-874-2535	myv1@pge.com
Chuck	Whitaker	Endecon Engineering	(925) 552-1330	chuckw@endecon.com
Chris	Wirth	EMC	909-422-0680	chris.wirth@agrihouse.com
Dixon	Yee	PG&E	415-973-4348	ddy1@pge.com

- Introductions, General Housekeeping, & Next Meeting Location – Tuesday August 26, 2003 at SDG&E [To Be Confirmed]. Special One-Day meeting on August 13, 10am, at the Energy Commission, to be led by Scott Tomashefsky. Subject: 03CRS-1—Tariff Exemption and Queue Administration.
- Utility Status Report Updates – SCE reports a number of new applications, some are re-applications to allow interconnected facilities to qualify for an inadvertent export agreement. To remove redundant projects, it may be necessary to have another identifier or utility function to flag existing interconnections. SCE requested to know more specifically what information is needed in order to provide it. PG&E reports that about

1/3 of Rule 21 interconnections are withdrawn—many go to other tariffs, such as wholesale, expanded Enet, etc.).

- Combined Action Item List Review
  - C101 – Export Screen – Chuck W: tech group discussed comments on a draft regarding export screen; Moh V. made comments that had not been completely addressed.
  - Certification Issues: Term of Certification, Decertification etc.
  - T-122: Sections I & J Consistency of Review between IOUs – Jerry Jackson: 1. PG&E to develop a white paper; 2. PG&E to send it to municipal utilities and other IOUs; 3. Task group to gather comments from all (a. internal PG&E, b. other utilities) on consistency. Jerry is now on step 2. SCE unsure of its participation. Technical requirements for interconnection—there is a lack of consistency because of different design criteria, procedures, etc. PG&E would like to find the common practices to incorporate into the white paper document. These could be put forward through the workgroup into future Rule 21 advice letters for incorporation into the Rule. Ed G. is skeptical due to differences between practices within a single utility, and more so between utilities. However, there have been complaints from DG developers that technical practices vary too much from one utility to another—since Rule 21 is supposed to be a standardized Rule.
  - T-105: Inadvertent export...1. Technology that cannot (or should not) curtail generation (solar, wind, etc.) 2. large-load operations who are willing to over-generate to make sure they have power at all times. When load is down, the customer could export within accepted limitations without reprisal. But what are the limitations? These are still under discussion. Choices for PG&E: 1. file agreement for inadvertent export; 2. add appendix to existing agreement. Tom D. says that they have a separate agreement because the inadvertent agreement contradicts other language in the non-export agreement. PG&E is questioning how limits are maintained to ensure that export levels are not exceeded. Limits are site-specific. PG&E is willing to accommodate inadvertent export projects now with an addendum; meanwhile, they are not opposed to filing an advice letter that is consistent with SCE and SDG&E.

- Technical Group Issues
  - Rule 21/IEEE 1547 Comparison – most 1547 items are addressed in Rule 21; some significant items are not. T-114 loss-of-synch requirement is somewhat contentious. A 1547 subgroup may be formed in Rule21, but in any case, Chuck will lead an effort to get agreement on integrating P- 1547 into Rule 21.
  - Hess and Plug Power Certification – the Hess unit was tested to draft 8 of 1547; a more recent draft is now available. Testing was performed in hopes that it applies to Rule 21; some tests have yet to be performed.

- Regulatory Issues:
  - C-108 Model Rule 21 Effort at the Energy Commission – Scott is working on a model rule; aims to complete by next meeting. This is not a model tariff, since it is drawn from a comparison of existing tariffs, which are already undergoing discussion within working group for future changes.

- CEC NOPA on DG Information Collection / CPUC CRS – draft language is circulating for methods to manage the various megawatt caps for renewables and other forms of generation under the exit fee tariff known as "Cost Responsibility Surcharge", or CRS. The Energy Commission is responsible for determining eligibility for exemption from CRS. To avoid redundancy in the administrative burden, it would be best for the interconnection application and CRS exemption application to be linked. No one knows yet, though, how to link them to eliminate redundancy. More information on the Energy Commission's role in CRS is available at: http://www.energy.ca.gov/distgen/policy/regulatory_activity.html

- Small generation FERC Advanced Notice Of Proposed Rulemaking will meet July 23, 2003 regarding Interconnection requirements for small generators (<20MW).

- FOCUS Team Projects
  - DG Monitoring Study Update – All systems are now in place and gathering data. So far, the DG included in the study has caused no impact on the grid of any concern. The website is www.dgmonitors.com
  - Interconnection Guidebook – 8 comments received: 2 from CPUC; 1 from NREL; 1 from SCE; and 4 from independent engineers or representatives of engineering firms. All comments are being reviewed in their entirety. All are available on line at http://www.overdomain.com/documents/Comments.zip.

Catered Lunch (Approximately 11:30)

Combined Tour of DG Testing Lab (Approximately 12:00 – 1:45)

- Pre-Tour Presentation at the Learning Center
- Proceed to the Testing Facility (Across the Street)
- Tour of the MGTF

Policy Breakout (cont., Approximately 2:00-4:30)

- Revision of Application Form – Continuing discussion on question whether to split Interconnection Application and other Tariffs (CRS tariff exemptions) into two, or to keep them together. The QF question in the existing application would be put over to the Other Tariffs application, for example. Question about how to handle the capacity queue for CRS exemption. How to prevent people from tying up capacity for projects that are not going to be built? Chuck S.: Good faith deposit (but this idea is unpopular...) How then? Who will administer the queue? Suggestion that the Energy Commission does it. Key objective to the Energy Commission: keep administration simple.

  Should tariff questions be separated from the Interconnection Application? Most working group members agree—consensus achieved, pending Robin L. agreement to it. What proof does the Energy Commission have that a project is viable and should have space in the queue? Milestone process was set up in the QF MP (Qualifying Facility Milestone Process); their process could possibly be a model for the CRS queue. By their

nature, queues are problematic because of exemptions from milestones and silent dropout from exemption. Wednesday, August 13 at the Energy Commission a one-day seminar will be held entitled "Tariff Exemption and Queue Administration"—to cover CRS Exemption Queue design. Existing straw man document is SCE Application for Tariff Exemptions related to Customer Generating Facilities.

Draft proposed process (from Article 6. Qualified Departing Load CRS Exemption, Section 1395.2)
1. Customer submits Application for Tariff Exemption... to utility.
2. If not complete, back to customer
3. If app complete, within 10 calendar days it goes to Energy Commission
4. CEC review yes, no: decision communicated to customer & utility, + efficiency and emissions requirements;

Does reclassification send an applicant to the back of the queue? What changes do or do not move an app to the back of the queue?

Mike I. will send out revision to the Interconnection Application after receiving some additional comments, both those received already, and some that are coming to him.

- Resolve differences in language between IOUs on Net Metering in Rule 21
  Suggestion made to add 30-day timeline to Rule 21. This could go in the same section as the 10-day and 20-day timelines, perhaps (C.1.c.2 and C.1.c.3 of Rule 21, respectively). Other differences: Jerry J. suggested new sections to Rule 21; Tom D. suggested blending them into existing sections. Discussion continues. PG&E is working on advice letter that contains some paragraphs that are not consistent with other utilities' Rule 21; SCE and SDG&E are filing attempting to make all language conform. SCE sent out revised language; PG&E is reviewing it. Discussion of changes within C.1.e continuing. Tom D. plans to have some draft language by next meeting.

  Werner would like to roll the Net Energy Metering changes in with 1547, Bin List, Application, and Section I&J consistency items.

  Chuck W. is leading a tech group effort creating a matrix comparing Rule 21 and P1547.

- Dual generators at one site (one of which qualifies for Net Metering) and other Net Metering related changes needed for Rule 21 DEFER TO T117

  Dual Gen – not involving NEM
  What to do if the application has two Generators in the Generating Facility, but only one Generator is installed (or if they're installed in two phases)? Is Interconnection Agreement different? PG&E requires that a new application needs to be filed for the different GF; that, however, is dependent on the case and is unnecessary—*if no extra time is involved with the planner*. This has been PG&E's criterion. However there is not clarity on this, since the decisions may have been made in the field. If the incremental generation triggers additional study, then a new application would likely be required. The Interconnection Agreement should be signed for the GF put into service, and perhaps also for the one soon to be placed into service, but should not be signed for a second unit

that is years away. Customers don't often pay for extra facilities that they won't build. However, plans are often downsized. Question how often this happens. Is it often enough to make this an important issue? SCE has planned for and assumed the GF at the applied-for size, even if the full project isn't installed.

Another special situation is when 2 parties apply separately for interconnection behind a single meter. Should there be separate agreements? Yet another such situation: 1 existing generator is joined with a new technology downstream of the same meter—this happens with some large institutional customers, such as a university or military. SDG&E writes 1 agreement per Point of Common Coupling. However, if there are two or more "third parties", then there must be multiple agreements between utility and customer and between utility and each third party. This is very difficult, because each "third party" could impact the other "third parties", the customer, and the utility. Should agreements be required between each "third party" and all other "third parties?"

Dual Gen – Involving NEM
Utility is required to accept NEM whether or not there is an existing Generator behind the same meter that is non-NEM (Decision 03-02-068). The non-NEM Generator must have non-export protection – either load following or on-off tripping to prevent export. Suggestion made to allow engineers to make this determination case-by-case.

Technical Breakout (cont., Approximately 2:00-4:30)

- Review Action Item List
- High Priority Action Items:
  - ✓ T101, T103, T105, T107, T113, T114, T122, T123, T124
- Low Priority Action Items:
  - ✓ T108, T110, T111, T112
- Other Action Items:
  - ✓ T121

Minutes prepared by:

Overdomain